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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

JEFF HATCH-MILLER, Chairman  
WILLIAM A. MUNDELL  
MIKE GLEASON  
KRISTIN K. MAYES  
BARRY WONG

2006 AUG 31 P 1:33

AZ CORP COMMISSION  
DOCUMENT CONTROL

IN THE MATTER OF:

DOCKET NO. S-20437A-05-0925

Reserve Oil & Gas, Inc., a Nevada corporation  
3507 North Central Avenue, Ste. 503  
Phoenix, AZ 85012

Arizona Corporation Commission  
**DOCKETED**

AUG 31 2006

Allen and Jane Doe Stout, Sr., husband and wife  
1309 West Portland Street  
Phoenix, AZ 85007-2102

DOCKETED BY	<i>WK</i>
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Allen and Jane Doe Stout, Jr., husband and wife  
1309 West Portland Street  
Phoenix, AZ 85007-2102

Respondents.

PROCEDURAL ORDER

**BY THE COMMISSION:**

On December 30, 2005, the Securities Division ("Division") of the Arizona Corporation Commission ("Commission") filed a Temporary Order to Cease and Desist ("T.O.") and a Notice of Opportunity for Hearing ("Notice") against Reserve Oil & Gas, Inc. (ROG"), Allen and Jane Doe Stout, Sr., and Allen and Jane Doe Stout, Jr. (collectively "Respondents"), in which the Division alleged that the Respondents committed multiple violations of the Arizona Securities Act ("Act") in connection with the offer and sale of securities in the form of investment contracts. As a result of the T.O., the Respondents were immediately ordered to cease and desist from violating the Act.

Respondents were duly served with copies of the Notice.

On January 19, 2006, Respondents filed a request for hearing. Subsequently, by Procedural Order, a pre-hearing conference was scheduled for February 7, 2006.

On February 7, 2006, the pre-hearing conference was convened as scheduled. The Division and Respondents were present with counsel. The Division requested another pre-hearing conference be scheduled and additional time be taken for the preparation of its case and further discovery. By

1 Procedural Order, another pre-hearing conference was scheduled for April 27, 2006.

2 On March 20, 2006, a Stipulation for Substitution of Counsel for Respondents was filed with  
3 the Commission.

4 On April 27, 2006, the Division appeared through counsel. Respondents did not enter an  
5 appearance. Subsequently, counsel for the Respondents advised the Hearing Division that prior  
6 counsel failed to advise him of the April 27, 2006, pre-hearing conference which had previously been  
7 scheduled.

8 On April 28, 2006, by Procedural Order, a pre-hearing conference was scheduled.

9 On May 25, 2006, the Division and Respondents appeared through counsel. The parties  
10 stipulated that another pre-hearing be scheduled in approximately 60 days during which time  
11 discovery and a possible resolution of the issues raised by the Notice could be discussed.

12 On May 26, 2006, by Procedural Order, a pre-hearing conference was scheduled for August  
13 10, 2006. However this date caused a scheduling conflict and required rescheduling.

14 On July 26, 2006, by Procedural Order, the pre-hearing conference scheduled for August 10,  
15 2006, was rescheduled to August 31, 2006.

16 On August 31, 2006, the Division and Respondents appeared through counsel. The Division  
17 requested that a hearing be scheduled because the parties had been unable to agree on a settlement of  
18 the issues raised in the T.O. and Notice.

19 Accordingly, a hearing should be scheduled.

20 IT IS THEREFORE ORDERED that a **hearing** shall be held on **November 7, 2006, at 9:30**  
21 **a.m.**, at the Commission's offices, 1200 West Washington Street, Phoenix, Arizona.

22 IT IS FURTHER ORDERED that the parties shall also set aside **November 8 and 9, 2006,**  
23 for additional days of hearing, if necessary.


24 IT IS FURTHER ORDERED that the **Division shall provide to Respondents copies of its**  
25 **exhibits and its list of witnesses by September 15, 2006,** with courtesy copies provided to the  
26 presiding Administrative Law Judge.

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1 IT IS FURTHER ORDERED that the Respondents shall provide to the Division copies of  
2 their exhibits and their list of witnesses by October 2, 2006, with courtesy copies provided to the  
3 presiding Administrative Law Judge.

4 Dated this 31<sup>st</sup> day of August, 2006

5  
6  
7   
8 MARC E. STERN  
ADMINISTRATIVE LAW JUDGE

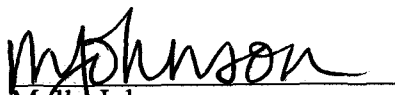
9 Copies of the foregoing mailed/delivered  
10 this 31 day of August, 2006 to:

11 Paul J. Roshka, Jr.  
12 ROSHKA, DeWULF & PATTEN  
13 400 East Van Buren Street, Ste. 800  
14 Phoenix, AZ 85004  
15 Attorney for Respondents

16 Matt Neubert, Director  
17 Securities Division  
18 ARIZONA CORPORATION COMMISSION  
19 1200 West Washington Street  
20 Phoenix, AZ 85007

21 ARIZONA REPORTING SERVICE, INC.  
22 2627 N. Third Street, Ste. Three  
23 Phoenix, Arizona 85004-1104

24 By:

25   
26 Molly Johnson  
27 Secretary to Marc E. Stern  
28